

PROJECT STATUS REPORT

JANUARY 2017 - JUNE 2017

SECTION 1: PROJECT SUMMARY

PROJECT NAME: Mobile Money for the Unbanked

Project Number: JA-M1031 - Project Num.: ATN/ME-14598-JA

Purpose:

The expected result of this project is to increase access to financial services for low-income people through the introduction of a mobile money platform in Jamaica.

Country Admin

JAMAICA

Country Beneficiary

JAMAICA

Executing Agency:

DEVELOPMENT BANK OF JAMAICA LIMITED

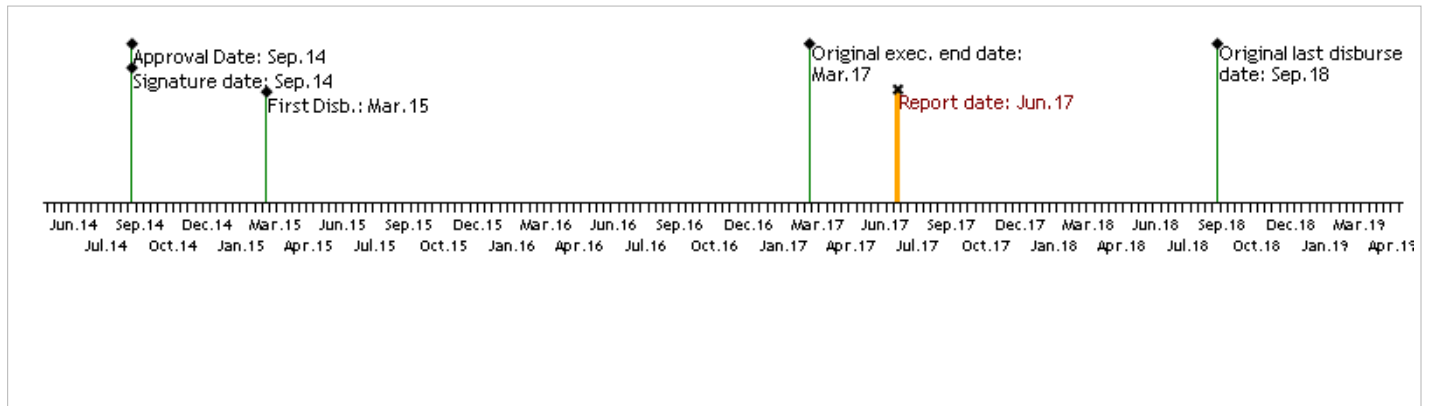
Design Team Leader:

WINSOME LESLIE

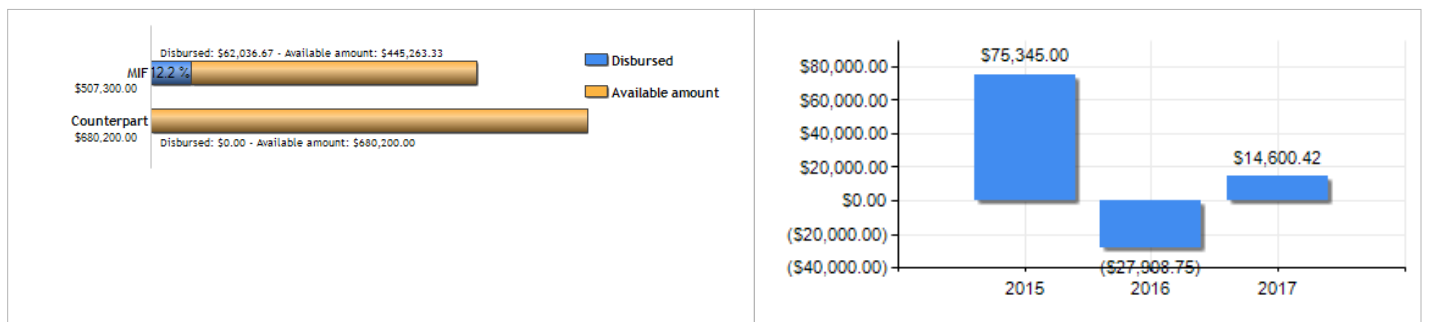
Supervision Team Leader:

WAYNE BEECHER

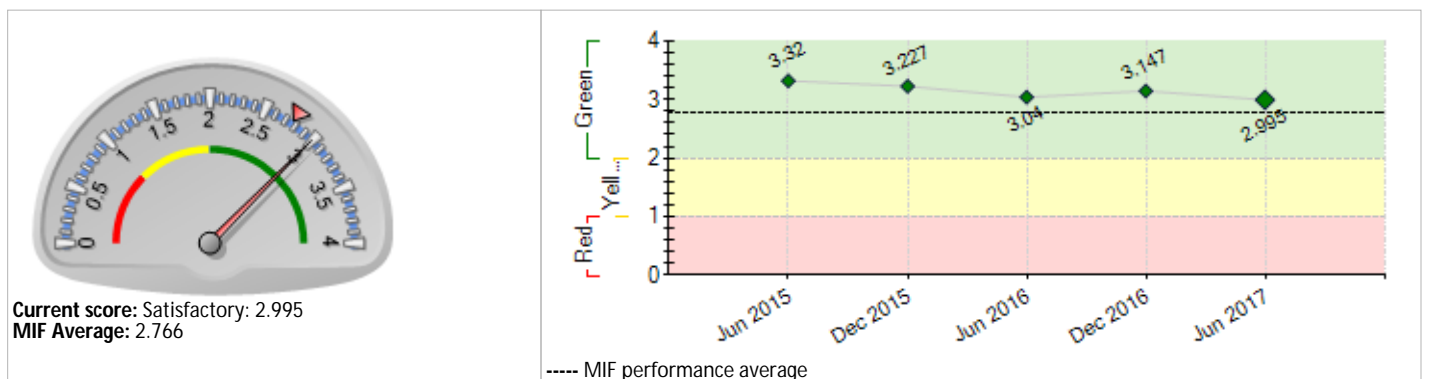
PROJECT CYCLE



FUNDS



PERFORMANCE SCORE



EXTERNAL RISKS

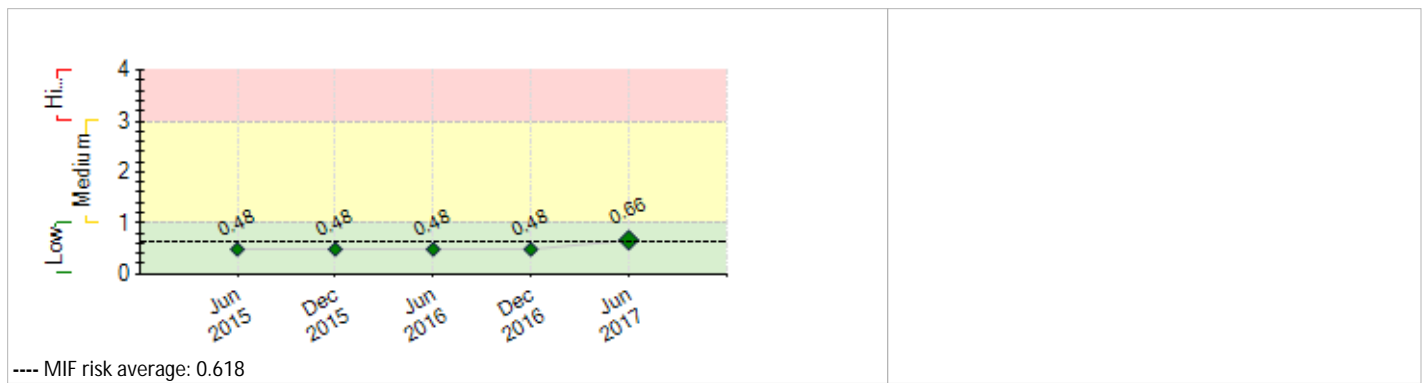
INSTITUTIONAL CAPACITY

Risk

Financial Management: Low

Procurement: Low

Technical Capacity: Low



SECTION 2: PERFORMANCE

Summary of project performance since inception

A Marketing and Communications Officer, Rene Wong was hired. The Project Manager (PM) resigned in May and Rene was promoted to PM in June. A Project Officer was assigned to the project in May.

The Mobile Money Conference scheduled for 2017 has been rescheduled to 2018 to facilitate a wider scope to include regional and international speakers.

There is a high risk that persons who are attending the Financial Education training sessions might not be able to stay for the entire duration of the sessions or not attend at the very last minute. To mitigate this risk, we will increase the number of financial education training sessions. The University of the West Indies Consulting (UWIC), has expressed concern with regards to the total training/contact time each participants receives during the training sessions as it will negatively affect the impact study they have been contracted to do.

Critical actions items that will contribute to the overall success of the project include but are not limited to the hiring of competent project team members, the coordination of project activities with other government agencies as well as with private sector entities, the continued and/or increased participation and attendance in micro-entrepreneurs to the financial education training sessions and the involvement and engagement of local, regional and international entities for the successful execution of the mobile money conference.

The project documents were updated.

Comments from the Supervision Team Leader

Agree with the Executing Agency comments

The EA was advised to adjust the distribution strategy to increase the pace of coverage for the Fin Ed training

Summary of project performance in the last six months

The project given a logo to provide better awareness and uptake of the project. Under the theme "My Money Workshop: Financial Empowerment and Technological Awareness", the first workshop under the Financial Education and Awareness Programme was held in June ahead of its start date of July.

There was a significant delay in the procurement of an event planner to execute the financial education and awareness programme. The initial tender costs were outside of the budget and there were lengthy delays during negotiations with the event planner who won the bid. Meetings with the legal team in conjunction with the event planner provided significant resolution to a mutual agreement. The contract was signed in May.

We will focus on new multi-level strategies that will increase the pace of the project and project spend with a view towards achieving project objectives/deliverables for the rest of the project. This includes but is not limited to the hiring of at least three additional members to improve on the executing of key project activities. We will also widen the scope for delivery of financial education and literacy training for micro-entrepreneurs. The Project Steering Committee will be reconvened in order to ensure wider stakeholder engagement and generally raising the overall profile of the project.

Funds were reallocated to the VTA programme and should contribute to the success of the project.

Comments from the Supervision Team Leader

Agree with the Executing Agency comments

SECTION 3: INDICATORS AND MILESTONES

	Indicators	Baseline	Intermediate 1	Intermediate 2	Intermediate 3	Planned	Achieved	Status
Purpose: 1 The expected result of this project is to increase access to financial services for low-income people through the introduction of a mobile money platform in Jamaica.	R.1 Number of new MFI clients [210800]	0 Sep 2014	200 Mar 2016			800 Mar 2017	0	
	R.2 Number of M3 users (includes MFI clients)	0 Sep 2014	1000 Oct 2020			2500 Mar 2017	0	
	R.3 Number of M3 users regularly conducting transactions with M3 [210400]	0 Sep 2014	900 Mar 2016			2200 Mar 2017	0	
	R.4 Simple percentage increase in number of clients per loan officer in participating MFIs	0 Sep 2014	1 Mar 2016			5 Mar 2017	0	
	R.5 Increased frequency of financial transactions conducted among M3 MFI clients vs non-M3 MFI clients	100 Sep 2014	110 Mar 2016			120 Mar 2017	0	
	R.6 Number of approved MFIs participating on the M3 platform.	4 Sep 2014	7 Mar 2016			10 Mar 2017	0	
Component 1: Facilitating Mobile Wallet/Digital Economy Industry Development Weight: 20% Classification: Satisfactory	C1.I1 Design and execution of a Compliance education programme for MFIs	0				1 Nov 2016	1 Jul 2016	Finished
	C1.I2 Design of strategic plan and policy recommendations for mobile money industry growth and development	0				1 Mar 2017		Delayed
Component 2: Financial Education and Technical Support Weight: 30% Classification: Satisfactory	C2.I1 Number of microentrepreneurs that receive financial education training.	0 Sep 2014	1000 Mar 2016			2500 Mar 2017		Delayed
	C2.I2 Number of MFIs who received technical support	0 Sep 2014	6 Mar 2016	4 Dec 2016		10 Jun 2017		Delayed
	C2.I3 Number of MSMEs participating in the agency network.	0 Sep 2014	15 Apr 2017	25 Oct 2017		40 Jun 2018		Delayed
Component 3: Agent Network Development and Scaling of the Pilot Weight: 30% Classification: Satisfactory	C3.I1 Retail agent network support system designed and tested	0 Sep 2014				1 Dec 2017		
	C3.I2 Number of retail agents licensed and trained on M3	0 Sep 2014				50 Mar 2017		Delayed
Component 4: Knowledge Management and Knowledge Dissemination Weight: 20% Classification: Satisfactory	C4.I1 Case study on M3 completed.	0 Sep 2014				1 Aug 2018		

Milestones	Planned	Due Date	Achieved	Date of achievement	Status
M1 Conditions Prior	12	Mar 2015	12	Mar 2015	Achieved
M4 Conditions prior: (v) formation of a centralized project management office and establishment of the Project Steering Committee	1	Nov 2016	1	Jul 2016	Achieved
M2 Conditions prior: iii) satisfactory completion of user acceptance testing and certification of the integration with the National Commercial Bank and the security protocol for interface with the national payment system	1	Feb 2017	1	Nov 2016	Achieved
M3 [*] Align operational plan for the Agent Networks with the technical assistance to MSMEs through a web portal	1	Sep 2017			
M6 [*] Mapping, Planning and Preparing a Agency Network	1	Jun 2018			
M5 [*] Case Studies presented at Closing Workshop	1	Jul 2018			

[*] Indicate that the milestone has been reformulated

CRITICAL ISSUES THAT HAVE AFFECTED PERFORMANCE

[X] Purchase difficulties

SECTION 4: RISKS**MOST IMPORTANT RISKS AFFECTING FUTURE PERFORMANCE**

	Level	Mitigation action	Responsible
1. Beneficiary Risk: With regards to the Financial Education and Literacy Programme, there is a risk that some persons who are attending financial education training sessions might not be able to stay for the entire duration of the sessions. At the very last minute, some persons, although confirmed to attend the session, may not attend as a result of their business obligations.	Medium	To mitigate this risk, we will increase the number of financial education training sessions as well as partner with other government agencies to broaden the reach of micro-entrepreneurs who should receive financial education training.	Project Coordinator
2. Sustainability Risk: M3 does not reach critical mass of clients one year after pilot to make the initiative viable. .	Low	Mitigation: A marketing campaign, including an incentive program which rewards MFI and their staff for recruitment, will help ensure that a critical mass of clients is reached. Additionally, financial education training will teach clients about how best to use financial services and the benefits of the M3 platform	Project Coordinator
3. Beneficiary Risk: Slow adoption of M3 technology due to doubts about safety, unfamiliarity and unwillingness to lose the face-to-face interaction of traditional	Low	Mitigation: There will be a robust marketing campaign to show clients M3 and explain how it works. Additionally financial education will help clients understand the advantages of M3.	Project Coordinator

banking.

4. Technical Risk: M3 technology, systems and processes could fail to integrate appropriately with those in the MFIs, as many of them use older technology.

Low

Mitigation: Resources have been dedicated for integration of MFI business platforms.

Project Coordinator

PROJECT RISK LEVEL: Low **TOTAL NUMBER OF RISKS:** 4 **IN EFFECT RISKS:** 4 **NOT IN EFFECT RISKS:** 0 **MITIGATED RISKS:** 0

SECTION 5: SUSTAINABILITY

Likelihood of project sustainability after project completion: P - Probable

CRITICAL ISSUES THAT MAY AFFECT PROJECT SUSTAINABILITY

[None reported in this period]

Actions related to sustainability which have been taken in the reporting period:

The project sustainability after project completion is high. There was a change in the scope of the project which is closely aligned to the Government of Jamaica's Vision 2030 – Jamaica National Development Plan. One of the objectives of the Financial Inclusion project is to increase the financial knowledge of micro-entrepreneurs and as such there is a high demand for the success and sustainability of the project in order to be aligned with Vision 2030 and to provide financial education training through multi-level strategies with other government entities and private sector organizations. Additionally, with the development of mobile money services in Jamaica, there is a greater need to ensure that micro-entrepreneurs and persons who are unbanked and underbanked are exposed to the use of mobile financial services and electronic retail payment services to improve efficiency. It is also anticipated that these persons will become agents of mobile money services and that this will contribute to the overall growth and development of the Jamaican economy.

SECTION 6: PRACTICAL LESSONS

1. Selection of an experienced event planner is critical to the success of executing events within budget and time. The knowledge and experience of an event planner should be carefully examined prior to the signing of the contract to ensure correct fit for specific events.

Relative to
Implementation

Author
Wong, Rene